



DEPARTMENT OF THE NAVY
NAVAL SUPPLY SYSTEMS COMMAND
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TELEPHONE NUMBER
COMMERCIAL
AUTOVON
IN REPLY REFER TO:
4200
Ser21C/0031
PC 00-09
15 Feb 00

From: Commander, Naval Supply Systems Command

Subj: OVERSEAS USE OF THE PURCHASE CARD

Ref: (a) DFARS 213.301
(b) NAVSUPINST 4200.94
(c) FAR 1.603-3
(d) NAVSUPINST 4200.85 (series)

Encl: (1) Fair and Reasonable Price Determination form

1. Reference (a) authorizes the use of the Governmentwide Commercial purchase card on a stand-alone basis for purchases that exceed the micro-purchase threshold (\$2,500) but do not exceed \$25,000, if the purchase is made outside the United States for use outside the United States and is for a commercial item. This regulatory change prohibits the use of the purchase card on a stand-alone basis above the micro-purchase threshold if the work is performed by employees recruited within the United States; is for supplies/services originating from or transported from sources identified in FAR Subpart 25.7; is for ball or roller bearings as end items; and, if the requirement requires access to classified or Privacy Act information.

2. The OCONUS cardholder exercising this increased authority must receive training in accordance with reference (b) and be warranted on a SF1402 in accordance with reference (c). Currently, all OCONUS cardholders exercising the increased authority granted by reference (a) must complete either the NAVSUP Simplified Acquisition Procedures Course, Contracting 101 (Contracting Fundamentals) or Contracting 102 (Intermediate Contracting). In or around April 2000, NAVSUP intends to release revised Purchase Card Training and Interactive Customer Assistance CD-ROM. Upon its release, this computer-based training will also meet all training prerequisites for OCONUS cardholders exercising the increased authority granted by reference (a). In addition to the formal training mentioned above, all cardholders must receive training on their local internal operating procedures. Refresher training on current DON policies and procedures and local internal operating procedures is required at least every two years.

3. DON guidance on the use of simplified acquisition procedures can be found in reference (d). This instruction provides policies and procedures for soliciting and awarding requirements in excess of \$2500. Purchase cardholders utilizing the increased authority granted by reference (a) should be aware of the additional regulatory requirements for these types of

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transactions. These include, competing requirements among at least three qualified vendors, providing sole source documentation for all requirements not competed among three vendors, determining all purchase prices paid are fair and reasonable and posting all written requirements exceeding \$10,000 in a public place for 10 days. A sample copy of a fair and reasonable determination has been provided by enclosure (1) to aid purchase cardholders in documenting price reasonableness.

4. In addition, purchase cardholders are reminded that the basic policies and procedures identified in reference (b) remain in effect. Reference (a) does not alter the purchase cardholder's responsibility for screening all requirements for their availability from the mandatory Government sources of supply (e.g. NIB-NISH) and using those sources when they can meet the Government's requirement.

5. NAVSUP point of contact for this policy letter is Mr. Albert Fanelli who can be reached at DSN 430-2795, commercial (717) 605-2795 or via e-mail albert_j_fanelli@navsup.navy.mil.


EVA M. ROBINSON
By direction

FAIR AND REASONABLE PRICE DETERMINATION

Ref: Purchase Request/Solicitation Number _____

1. I am recommending award to _____
I used one or more of the following checked price analysis techniques compared to the quoted price of \$ _____. The quoted price was similar enough to the comparative price(s) to conclude that the quotation is fair and reasonable..

☐ Adequate Price Competition

_____ vendors were solicited and _____ quotes were received. After comparing the quoted prices, I consider the quotes to be competitive. See the Simplified Acquisition Worksheet or other record of price quotes received.

☐ Commercial Catalog or Published Price List

Manufacturer/Vendor's Name: _____

Catalog/List Title or Number: _____

Effective Date(s): _____

Page Number(s): _____

Catalog/List Price(s): _____

- ☐ The quoted price is the same as the catalog or published price(s) noted above and reflects prices charged to customers buying the same or similar quantities.

The quoted price is higher/lower than the catalog or published price list and is considered fair and reasonable under the circumstances of this acquisition. The decision is based on the following factors: _____

☐ Established Market Price or Prices Set by Law/Regulation

The quoted price is the same as the established market price or the prices set by law or regulation as verified by:

Enclosure (1)

☐ Historical Comparison for the Same or Similar Item(s)

Prior Contractor: _____

Order No: _____ Date Purchased: _____

Quantity and Unit of Issue: _____

Unit Price Previously Paid: _____

Basis For Determining Prior Price Reasonable: _____

If the item(s) are not identical, explain why the
comparison is considered valid: _____

☐ Other Price Analyses or Comments:

2. As the contracting officer for this pending award, I have reviewed the above pricing documentation; and do hereby make the determination that the price of the suggested quoters is fair and reasonable. I authorize the buyer to proceed with the award.

PREPARED BY: _____

(Buyer signature and date)

APPROVED BY: _____

(Contracting Office signature and date)

Enclosure (1)